

(e) *Computer applications.* For any computer applications utilized, alternate documentation and/or procedures that provide at least the level of control established by the standards of this part, as approved in writing by the TGRA, will be acceptable.

(f) *Determination of tier.*

(1) The determination of tier level will be made based upon the annual gross gaming revenues indicated within the gaming operation's audited financial statements.

(2) Gaming operations moving from one tier to another will have nine months from the date of the independent certified public accountant's audit report to achieve compliance with the requirements of the new tier. The TGRA may extend the deadline by an additional six months if written notice is provided to the Commission no later than two weeks before the expiration of the nine month period.

(g) *Submission to Commission.* Tribal regulations promulgated pursuant to this part are not required to be submitted to the Commission pursuant to § 522.3(b) of this chapter.

(h) *Enforcement of Commission MICS.*

(1) Each TGRA is required to establish and implement TICS pursuant to paragraph (b) of this section. Each gaming operation is then required, pursuant to paragraph (c) of this section, to develop a SICS that implements the TICS. Failure to comply with this subsection may subject the tribal operator of the gaming operation, or the management contractor, to penalties under 25 U.S.C. 2713.

(2) Enforcement action by the Commission will not be initiated under this part without first informing the tribe and TGRA of deficiencies in the TICS or absence of SICS for its gaming operation and allowing a reasonable period of time to address such deficiencies. Such prior notice and opportunity for corrective action are not required where the threat to the integrity of the gaming operation is immediate and severe.

§ 543.4 Does this part apply to small and charitable gaming operations?

(a) *Small gaming operations.* This part does not apply to small gaming operations provided that:

(1) The TGRA permits the operation to be exempt from this part;

(2) The annual gross gaming revenue of the operation does not exceed \$3 million; and

(3) The TGRA develops, and the operation complies with, alternate procedures that:

(i) Protect the integrity of games offered;

(ii) Safeguard the assets used in connection with the operation; and

(iii) Create, prepare and maintain records in accordance with Generally Accepted Accounting Principles.

(b) *Charitable gaming operations.* This part does not apply to charitable gaming operations provided that:

(1) All proceeds are for the benefit of a charitable organization;

(2) The TGRA permits the charitable organization to be exempt from this part;

(3) The charitable gaming operation is operated wholly by the charitable organization's agents;

(4) The annual gross gaming revenue of the charitable operation does not exceed \$3 million; and

(5) The TGRA develops, and the charitable gaming operation complies with, alternate procedures that:

(i) Protect the integrity of the games offered;

(ii) Safeguard the assets used in connection with the gaming operation; and

(iii) Create, prepare and maintain records in accordance with Generally Accepted Accounting Principles.

(c) *Independent operators.* Nothing in this section exempts gaming operations conducted by independent operators for the benefit of a charitable organization.

§ 543.5 How does a gaming operation apply to use an alternate minimum standard from those set forth in this part?

(a) *TGRA approval.*

(1) A TGRA may approve an alternate standard from those required by this part if it has determined that the alternate standard will achieve a level of security and integrity sufficient to accomplish the purpose of the standard it is to replace. A gaming operation may implement an alternate standard upon TGRA approval subject to the